



General Services Administration

Federal Supply Service

Washington, DC 20406

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Dear 

The General Services Administration (GSA) is streamlining its operations consistent with sound business practices. Accordingly, the agency is announcing a broad range of program revisions designed to reduce expenses while minimizing impact on the operations of its customers. By June 30, 1986, GSA will:

- Restructure 11 regional travel and transportation functions into 4 zones;
- Consolidate 17 Customer Supply Centers (CSCs) into 12 Centers; and
- Close all Personal Property Centers (PPCs) except the Center in the National Capital Region.

In addition, the agency will amend its Special Order Program (SOP) to upgrade active items to more efficient methods of supply; decentralize low demand items to "local purchase"; and retain only high value Federal Supply Schedules and personal property rehabilitation contracts.

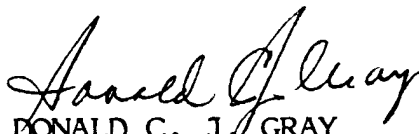
Customers of the 5 CSCs being closed will be transferred to 1 of the remaining 12 Centers. There will be no loss of service. GSA will seek to continue excess property storage operations--on a Cooperative Administrative Support Unit (CASU) basis--where experience indicates they are needed. As noted, cost-efficient rehabilitation contracting, Federal Supply Schedules, and active SOP items will be retained.

The enclosure briefly summarizes these changes. Within the next few weeks, GSA will be publicizing these changes throughout the Federal community through the agency's "Marketips" newsletter, agency briefings, interagency meetings,


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and visits by our Customer Service Officers. The agency wishes to stress its continued commitment to serving its customers' needs. I appreciate your continued assistance as we make this transition to more efficient and cost-effective mission performance.

Sincerely,

  
DONALD C. J. GRAY  
Commissioner

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Deputy Director of Administration  
Central Intelligence Agency  
Washington, DC 20505

Enclosure

Enclosure

Travel and Transportation Zonalization

Effective July 1, 1986, responsibility for nationwide Federal Supply Service (FSS) travel and transportation programs will be consolidated into the following zonal offices:

Eastern Zone - located in Atlanta, Georgia, will serve:

Region 1 (Boston)  
Region 2 (New York)  
Region 3 (Philadelphia)  
Region 4 (Atlanta)

Central Zone - located in Kansas City, Missouri, will serve:

Region 5 (Chicago)  
Region 6 (Kansas City)

Southwestern Zone - located in Fort Worth, Texas, will serve:

Region 7 (Fort Worth)  
Region 8 (Denver)

Western Zone - located in San Francisco, California, will serve:

Region 9 (San Francisco)  
Region 10 (Auburn)

National Capital Region - located in Washington, D.C., will serve the Washington, D.C., metropolitan area.

This zonal arrangement will allow GSA to achieve dramatic savings while maintaining the high level of customer service which Federal agencies have learned to expect from these programs. Regions 1, 2, 3, 5, 8, and 10 will have a Traffic and Travel Services Coordinator who will serve as an agency/vendor liaison.

It is important to note that no Interagency Fleet Management System (IFMS) locations will be closed, since the IFMS completed their streamlining effort 2 years ago. In fact, new IFMS locations may be opened as more agencies turn to GSA for support.

Customer Supply Center (CSC) Consolidation

FSS has begun implementation of a plan to further streamline its nationwide network of CSCs and to provide for increased efficiency and optimum utilization of existing resources. Under this plan, FSS will close its CSCs in the following locations by June 30, 1986:

Randolph, Massachusetts  
Lima, Pennsylvania  
Kansas City, Missouri  
Harahan, Louisiana  
San Juan, Puerto Rico

Support for the areas serviced by these CSCs will be assumed by the remaining 12 facilities. Customers serviced by the closing facilities will be automatically transferred to another CSC and will be notified of the location and telephone number of their "new" CSC. Once transferred, this change should be transparent to the customer; i.e., phone-in orders will be processed and shipped direct to customers within 72 hours.

The following CSCs will remain in operation with expanded capabilities for servicing additional customers:

Belle Mead, New Jersey  
Franconia, Virginia  
Washington, D.C. (Industrial Products Center)  
Norfolk, Virginia  
Atlanta, Georgia  
Chicago, Illinois  
Fort Worth, Texas  
Denver, Colorado  
Stockton, California  
Honolulu, Hawaii  
Auburn, Washington  
Anchorage, Alaska

#### Personal Property Centers (PPCs)

GSA currently operates 17 nationwide PPCs, which serve Federal agencies as central sites for storage of excess personal property. In view of the current fiscal environment, we can no longer subsidize this space. Effective in June 1986, therefore, GSA will continue funding only the Franconia, Virginia, facility, which serves the high Federal concentration in the Washington, D.C., metropolitan area.

However, because this concept (i.e., centralized common storage of excess) is considered a lower cost alternative than having individual agencies store such material, GSA is recommending joint agency funding of the PPCs using the Cooperative Administrative Support Unit (CASU) concept. This arrangement would allow local customer agencies to jointly provide funding for space and related services for these centralized facilities, while GSA would continue to perform utilization and disposal services for them.

If CASU support from customer agencies is not forthcoming, and other options are exhausted, GSA will close PPCs in June. This action will be taken on an individual basis, allowing those PPCs with sufficient

agency support to remain open. Agencies serviced by the closing PPCs will be required to store and maintain their own excess and surplus property pending disposition by GSA. In an effort to assist agencies impacted by this action, GSA will accelerate screening and disposal of property in order to reduce agency storage requirements. We urge your continued cooperation in reporting excess property to us at the earliest possible date in order to minimize storage requirements.

#### Reduction in the Special Order Program (SOP)

GSA's SOP currently includes a number of low-demand items, some of which are used by only one customer agency. GSA, therefore, has determined that it can achieve significantly greater return on contracting resources by concentrating on high-demand items. Within the next several months, we will begin transferring purchasing responsibility for low-demand SOP items to individual agencies as follows:

- o Active high-demand SOP items will be converted to direct delivery under central contracts (Acquisition Advice Code H) or to Federal Supply Schedules (Acquisition Advice Code I); and
- o Low-demand items will be coded for local purchase (Acquisition Advice Code L).

There will be no change to SOP support for export customers.

#### Establishment of Thresholds for Federal Supply Schedules

As with its SOP program, GSA has determined that its Federal Supply Schedule (Schedule) program can be more efficiently utilized by focusing on high-dollar-value Schedules, contracts, and items. In the future, therefore, our Schedule program will be limited to high-dollar-value Schedules, contracts, and items which meet the following criteria:

- o Multiple Award Schedules valued at \$1 million or more;
- o Single Award Schedules valued at \$500,000 or more;
- o Regional Single Award Schedules valued at \$250,000; and
- o Multiple Award contracts and special item numbers valued at \$25,000 or more.

Schedules, contracts, and items not meeting the above thresholds will be eliminated from the Schedule program. Agencies may use small purchase procedures to acquire Schedule items which are no longer available.

Reduction in the Property Rehabilitation Program

GSA has determined that it can substantially reduce operational costs by allowing Federal agencies to maintain their own contracts for low-dollar-value rehabilitation services available from a number of local commercial service firms.

Under this plan, GSA will retain support for only those high-demand, high-dollar-value services which are most suited for centralized contracting. These services include motor vehicle repair, tire retreading, typewriter repair, and furniture rehabilitation. The rehabilitation contracts being eliminated can be easily adapted to individual agency management through small purchases and blanket purchase agreements.